

## 2007-2008 PERFORMANCE PLAN – Sr. Investment Officer / Alternative Investments (L. Shahinian)

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### *Quantitative Performance Measures*

Weight	Factor	Performance Measure	Incentive Schedule	1 <sup>st</sup> Quarter Status
25%	Total Fund Performance	Excess return in basis points relative to total fund performance benchmark. (SJICA1 – CPERSTO2)	-40 basis points = 0 0 basis points = 1.0 +20 basis points = 1.5	[3.00-2.92] +8bps
55%	AIM Program Performance vs. AIM Benchmark	Total AIM portfolio investment performance vs. Venture Economics young fund median return benchmark for measured time period. Identifiers: N/A – performance and benchmark compiled quarterly by Wilshire	Median = 0 Median +150 = 1 Median +250 = 1.5	Above target  Excess Return: + 2,055 bps
5%	Absolute Return Strategies Program	Return relative to program policy. Identifiers: SNLCA1 – Total ARS Program CPERHED2 – Total ARS Program blended index	0 basis points = 0 +50 basis points = 1.0 +100 basis points = 1.5	[(0.16)-3.10] -326bps
85%	Subtotal	Quantitative Measures		

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## Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	1 <sup>st</sup> Quarter Status
15%	Leadership	<p>Demonstrate leadership within CalPERS and in the external investment community, as both industry and staff (or team) leaders. Dimensions, all of which will be considered, include:</p> <ul style="list-style-type: none"> <li>• <b>Within Investment Group</b> (e.g., teamwork within and across asset classes, timely preparation of staff performance appraisals, appropriate employee recognition)</li> <li>• <b>Trustees</b> (e.g., written and oral presentations to Investment Committee and Investment Policy Subcommittee)</li> <li>• <b>CalPERS</b> (e.g., involvement in enterprise-wide initiatives and programs)</li> <li>• <b>External Investment Community</b> (e.g., relationships with external business partners and stakeholders, presentations at conferences and similar events, representation on external boards and committees)</li> <li>• <b>Diversity</b> (e.g., promote meaningful diversity among our investment partners and staff)</li> <li>• <b>Succession Plan</b> (e.g., training and developing strong internal candidates to potentially fill my role in the future)</li> </ul>	<p>Score (0 – 10) 0 = 0 5 = 1.0 10 = 1.5</p>	<ul style="list-style-type: none"> <li>• Represented CalPERS with CIO at Senate Finance Committee hearing on private equity</li> <li>• Represented AIM at the CA Investment Conference</li> <li>• Worked across asset class lines to develop the pilot program for Infrastructure</li> <li>• Prepared and presented numerous Investment Committee agenda items</li> <li>• Represented CalPERS on LP advisory committees</li> <li>• Developed performance appraisal and performance goals for SPM</li> </ul>
15%	Subtotal	Qualitative Measures		
100%	Total	Quantitative and Qualitative Measures		